

**LEGISLATIVE SERVICES AGENCY  
OFFICE OF FISCAL AND MANAGEMENT ANALYSIS**

200 W. Washington, Suite 301  
Indianapolis, IN 46204  
(317) 233-0696  
<http://www.in.gov/legislative>

**FISCAL IMPACT STATEMENT**

**LS 6667**

**BILL NUMBER: SB 338**

**NOTE PREPARED: Dec 8, 2004**

**BILL AMENDED:**

**SUBJECT:** Limited Criminal History Information.

**FIRST AUTHOR:** Sen. Hershman

**BILL STATUS:** As Introduced

**FIRST SPONSOR:**

**FUNDS AFFECTED: X GENERAL  
DEDICATED  
FEDERAL**

**IMPACT:** State

**Summary of Legislation:** This bill exempts a church or religious organization from the fee for conducting a criminal background check on an employee or a volunteer who works in a nonprofit program or ministry.

**Effective Date:** July 1, 2005.

**Explanation of State Expenditures:** This bill would add a church or religious society to the list of entities that receive fee exemptions from the Indiana State Police (ISP) for limited criminal history background checks if: (1) the church or religious society is a religious organization exempt from federal income taxation under Section 501 of the Internal Revenue Code; (2) the request is made as part of a background investigation of an employee or adult volunteer; and (3) the employee or volunteer works in a nonprofit program or ministry of the church or religious society.

The number of churches or religious societies meeting the requirements of this bill that would apply for limited criminal history background checks for employees and volunteers is unknown. The state would receive a reduction in revenue under the requirements of this bill, however, any reduction is likely small. Ultimately, any reduction is dependent on the number of fee exemptions granted. Money received for fees for limited criminal history background checks is deposited into the state General Fund.

*Background Information:* Currently, ISP grants fee exemptions for the following entities:

(A) a nonprofit organization that has been in existence for at least 10 years and that: (1) has a primary purpose of providing an individual relationship for a child with an adult volunteer if the request is made as part of a

background investigation of a prospective adult volunteer for the organization; (2) is a licensed home health agency; (3) is a community mental retardation and other developmental disabilities center; (4) is a licensed supervised group living facility; (5) is an Area Agency on Aging; (6) is a Community Action Agency; (7) is the owner or operator of a licensed hospice program; or (8) is a community mental health center;

(B) the Division of Family and Children or a county Office of Family and Children if the request is made as part of a background investigation;

(C) a school corporation, special education cooperative, or nonpublic school as part of a background investigation of an employee or adult volunteer for the school corporation, special education cooperative, or nonpublic school;

(D) a state agency; and

(E) the Health Professions Bureau if the request is part of a background investigation of a practitioner or an individual who has applied for a license issued by a board.

In FY 2004, the state collected \$1.4 M in revenue from background checks.

In CY 2003, ISP completed 363,754 limited criminal history background checks.

**Explanation of State Revenues:**

**Explanation of Local Expenditures:**

**Explanation of Local Revenues:**

**State Agencies Affected:** Indiana State Police.

**Local Agencies Affected:**

**Information Sources:** Steve Hillman, Indiana State Police, 232-5899; *Indiana State Police 2003 Annual Report*.

**Fiscal Analyst:** Sarah Brooks, 317-232-9559.